

November 12, 2008

**FINDINGS OF STORRS CENTER FISCAL IMPACT STUDY ARE
ANNOUNCED, WITH PROJECTIONS OF POSITIVE ECONOMIC BENEFITS
TO MANSFIELD**

**At completion, project could yield a \$2.6 million annual net fiscal
surplus to the Town**

Storrs, CT... The results of a fiscal impact study commissioned by LeylandAlliance LLC, the Master Developer for Storrs Center, were announced today. The study was undertaken to analyze and assess the potential net fiscal contribution that the project would bring to the Town of Mansfield. Storrs Center is the new mixed-use development located at the crossroads of the Town of Mansfield and the University of Connecticut. The project is a public/private partnership being guided by the Mansfield Downtown Partnership, Inc., the municipal development agency charged with developing Storrs Center on behalf of the Town. In 2005, the Partnership conducted its own fiscal impact study as part of a Municipal Development Plan for Storrs Center. A fiscal impact study is a standard, but critical, step in the development process for significant commercial and mixed-use development projects.

The principal focus of the report is to estimate projected tax revenue and Town expenditures associated with the project. Projected revenues include property and conveyance tax revenues, and the study does not provide estimates for projected sales and income taxes as these revenues do not accrue directly to the municipality. On the expenditure side, the scope of the study is limited to normal and reasonable expected municipal services (e.g., education, public works, public safety). Importantly, the study's findings forecast an estimated net fiscal surplus of \$2.6 million annually to the Town upon completion of the project.

The fiscal impact study was conducted for Leyland by HR&A Advisors, Inc. (HR&A), a national economic and real estate consulting firm. The Town of Mansfield retained Economics Research Associates (ERA), an international real

estate consulting firm, to provide an objective, professional assessment of the study's methodology and findings.

The scope of the study encompasses all components of the Storrs Center project: the estimated 690 residential units (owned and rented) totaling 673,000 square feet; 158,000 square feet of mixed retail space; and a small office component of 22,000 square feet.

The key findings of the study include the following:

1. The completed project would create a significant source of new public sector revenue.

A new ratable property value of \$220 million (appraised) and \$158 million

(assessed) would be generated by the overall project. This represents an increase of 17% over the Town of Mansfield's most currently available Grand List.

2. The completed Project would create ongoing annual revenue of \$4.2 million, including:

- a. \$3.7 million in real estate property taxes
- b. \$0.2 million in business/ personal property taxes
- c. \$0.3 million in motor vehicle taxes
- d. \$0.05 million in ongoing conveyance taxes

3. The completed Project would result in ongoing annual expenditures:

- a. \$1.2 million in municipal costs
- b. \$0.4 million in net school-related costs

4. Impact Summary:

The completed Project's estimated net fiscal impact would be an annual surplus of \$2.6 million for the Town of Mansfield. The fiscal impact analysis which was part of the 2005 Storrs Center Municipal Development Plan projected a net positive return of \$2.5 million annually. This most recent analysis reinforces the significance of the Storrs Center project as a new source of tax revenue for the Town of Mansfield.

James Lima, a partner at H R & A, states, "Our report, with its positive economic projections for Storrs Center, is based on generally conservative assumptions and sound, detailed information provided by the Town of Mansfield and LeylandAlliance. Our findings are based on carefully analyzed revenue and expense projections by project phase. We see the report as a dynamic document that can be updated on an ongoing basis throughout the life of the project to track its actual and projected economic impact. We appreciate the close scrutiny of ERA, the firm retained by the Town of Mansfield to assess the study. They reviewed its findings with a critical eye and were invaluable in terms of providing input for the final document. "

Speaking for ERA, Shuprotim Bhaumik states, "We have reviewed the Fiscal Impact Study prepared by HR&A and find its methodology and findings to be based on sound valuation principles and a thoughtful analysis of all the financial issues involved. We believe the projected positive impact of the project is based on reasonable assumptions regarding the projected market values of the commercial and residential properties planned for Storrs Center and the tax revenues they will generate."

Macon Toledano, Vice President of Planning and Development for LeylandAlliance, adds, "We are pleased that the report supports the Storrs Center vision and plans, as well as our strategy for bringing the project to fruition. The fiscal impact analysis affirms our belief in the financial strength of

the project and reinforces the viability of the economic development objectives established by the Partnership at the outset.”

At a special meeting of the Mansfield Town Council scheduled for 6:00 pm on Monday, November 24, 2008, ERA will provide an overview of the fiscal impact study. The Council meeting will be held in the Council Chambers of the Audrey P. Beck Municipal Building at 4 S. Eagleville Road in Mansfield.

To read the Storrs Center Fiscal Impact Study, please go to:

http://www.mansfieldct.org/town/departments/downtown_partnership/fiscal_impact.php